

**GROSSE POINTE PUBLIC SCHOOL SYSTEM
BUDGET DEVELOPMENT
2018/2019**

Beginning Revenue (17/18 Amendment #2)	104,937,004	ASSUMPTIONS - ESTIMATES
Changes to Revenue		
State Aid: Foundation allowance increase	890,252	\$120 per student FTE (7,419)
State Aid: Enrollment Decline	(890,000)	(110) net foundation (\$9,984-\$1,893)
Local Property Taxes: Hold harmless Taxes	(208,240)	Decrease of enrollment (\$1,893 * 110 FTE)
State Categorical Revenue	(130,705)	One-time revenue received in 2017/18
Delinquent Taxes	(487,000)	One-time revenue received in 2017/18
Act 18 Revenue decreased	(287,000)	County revenue decreased for prior year payments
Net Change in Revenues	<u>(1,112,693)</u>	
Projected Revenue	103,824,311	
Beginning Expenditures (17/18 Amendment #2)	103,398,041	
Changes to Expenditures		
Savings in staff costs - retirements	(639,000)	12 retired and replaced - savings \$40,000 per + F&R
Savings in staff costs - declining enrollment	(929,000)	9 staff reduced - \$70,000 per + F&R & health care
Savings in staff costs - balancing elementary enrollment	(412,000)	4 staff reduced - K-5 enrollment
Current financing of equipment expiring	(500,000)	Partial computer and copier financing complete
FICA on 3% refund	(280,000)	One-time payment 2017/18
FICA	45,000	Adjustment
Staffing costs 2018/19	40,000	Adjustment from 1x payment and step from 1718
Staff added for Young 5	103,000	1 classroom added - offset by increase in state aid
Health care	850,000	~ 9 % increase in costs (estimate)
Retirement rate	310,000	From 25.56% to 26.18 % of wages
Other personnel costs	28,000	Other personnel costs - 5%
Variable cost increase	350,000	Increase of 2% plus Comcast (\$60k)
Net change in expenditures	<u>(1,034,000)</u>	
Projected Expenditures	102,364,041	Fund Balance of 9% ~ \$9.2m
Projected Surplus (Deficit)	1,460,270	
Change in Fund Balance		
Beginning Fund Balance - July 1, 2018	8,695,508	
Surplus (deficit)	<u>1,460,270</u>	
Ending Fund Balance - June 30, 2019	10,155,778	
Percentage of Fund Balance	9.92%	
Target FB	9.00%	
Change needed to meet FB Target	(943,015)	No adjustment need to meet FB target